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TO RUEHC/SECSTATE WASHDC PRIORITY 6934
INFO RUEHBO/AMEMBASSY BOGOTA PRIORITY 5112
RUEHBR/AMEMBASSY BRASILIA PRIORITY 7596
RUEHCV/AMEMBASSY CARACAS PRIORITY 0801
RUEHLP/AMEMBASSY LA PAZ SEP 4529
RUEHQT/AMEMBASSY QUITO PRIORITY 1471
RUEHSG/AMEMBASSY SANTIAGO PRIORITY 1502
RUEAIIA/CIA WASHDC PRIORITY
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RUMIAAA/USSOUTHCOM MIAMI FL PRIORITY

UNCLAS LIMA 003229

SIPDIS

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DEPT. FOR INL, INR, WHA/AND

E.O. 12958: N/A
TAGS: [PGOV](#) [SNAR](#) [PE](#)
SUBJECT: COCA GROWERS ELECT AFFILIATES OF CHAVEZ ASSOCIATE

REF: A. LIMA 909
[1](#)B. LIMA 1053
[1](#)C. 2006 LIMA 3823
[1](#)D. 2006 LIMA 2927
[1](#)E. LIMA 218

[1](#)1. (SBU) Summary: Peru's largest coca-growers' organization elected new leadership September 14. Former leader Nelson Palomino, whose recent moderation was seen as bought by the GOP, lost his seat to individuals associated with the Peruvian Nationalist Party (PNP) and Venezuelan President Hugo Chavez. The cocalero group also announced a nationwide strike, scheduled for September 24, though indications are the strike lacks popular support. End Summary.

NEW LEADERSHIP, SAME GOALS

[1](#)2. (SBU) The National Confederation of Coca Growers of Peru (CONPACCP) held its sixth annual "National Congress" from September 10-15, 2007, in the northern coastal city of Trujillo. Both in terms of membership and geographic representation, CONPACCP is by far the largest of Peru's "cocalero" organizations. In contrast to previous sessions which saw attendance by rank and file growers in the thousands, this year's meeting consisted of elected regional leaders only. Total attendance was approximately 120.

[1](#)3. (SBU) Notably, delegates from areas not represented at previous national meetings (e.g. Puno region in the south and jungle areas in the east) attended this year, leading organizers to tout the organization as truly unified and now more representative of the cocalero movement country-wide. The assembly elected new leadership and agreed to pursue several objectives, none of which is new: (1) a halt to involuntary eradication of illegal coca crops; (2) GOP adherence to the terms of the "Tocache Accord" of March 2007 (a halt to coca eradication pending a survey of coca-producing areas; see refs A and B); (3) decriminalization of coca production; (4) withdrawal of coca from the list of psychotropic drugs in 1988 UN anti-drug convention; and (5) execution of a nationwide strike (see para 6).

PALOMINO OUT, MALPARTIDA IN

¶4. (SBU) Until this year, Nelson Palomino had been the leader of the cocalero movement nationwide and reportedly harbored national political ambitions (refs C and D). Rumors began to circulate in early 2007 that he was losing support within the organization. His January 2007 visit to the Embassy with cocaleros and political leaders (ref E) generated widespread criticism within CONPACCP that he had gone soft. Shortly thereafter, reports surfaced that Palomino was receiving payments from the GOP intended to moderate his agitation, an assertion our contacts believe to be true. Under this cloud, Palomino got a chilly reception at last week's Trujillo conference, where he was voted out of office as Secretary General of the organization. His supporters maintain that he resigned his leadership voluntarily in order to focus on his NGO "Kuska (Together) Peru", though most observers see this explanation as a face-saving device and have pronounced Palomino and his political agenda dead.

¶5. (SBU) The new CONPACCP leadership is closely linked to cocalero legislators Elsa Malpartida and Nancy Obregon, both of whom are members of Ollanta Humala's Nationalist Party of Peru (PNP). Some observers believe Obregon and Malpartida, avowed opponents of the pending U.S.-Peru FTA and U.S. aims and activities in Peru generally, will seek to align the CONPACCP with broader PNP objectives. Others say the influence of Obregon and Malpartida will open the CONPACCP to "Bolivarian" influences, given Malpartida's all but open association with Venezuelan President Hugo Chavez. Malpartida is widely believed to have received funds from Venezuela and to be disbursing these in politically vulnerable areas throughout Peru, including the Upper Huallaga Valley.

STRIKES THREATENED

¶6. (SBU) CONPACCP leaders are planning a strike to begin Monday, September 24 in San Martin region. Leaders hope this demonstration will have national reach, and force the GOP to negotiate. That said, the planned strike reportedly lacks even local support, and organizers have already chosen to postpone a planned preparatory meeting. (We will report related developments septel.)

Comment:

¶7. (SBU) There is much debate about the significance of the new cocalero leadership. Some say it amounts to a PNP victory, with worrying implications about further Venezuelan interference. Others see it as a wash. Whatever the case, like its predecessors, the new leadership has aims contrary to established GOP counternarcotics policy and will seek to oppose that policy however it can.
MCKINLEY